

ASSEMBLY BILL

No. 2239

Introduced by Assembly Member Emmerson

February 22, 2006

An act to amend Section 6248 of the Revenue and Taxation Code, relating to taxation.

LEGISLATIVE COUNSEL'S DIGEST

AB 2239, as introduced, Emmerson. Sales and use taxes.

The Sales and Use Tax Law imposes a tax on the gross receipts from the sale in this state of, or the storage, use or other consumption in this state of, tangible personal property.

This bill would make a technical, nonsubstantive change to that law.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 6248 of the Revenue and Taxation
2 Code, as amended by Section 2 of Chapter 226 of the Statutes of
3 2004, is amended to read:
4 6248. (a) On and after the effective date of this section there
5 shall be a rebuttable presumption that any vehicle, vessel, or
6 aircraft bought outside of this state, and which is brought into
7 California within 12 months from the date of its purchase, was
8 acquired for storage, use, or other consumption in this state and is
9 subject to use tax if any of the following occur:
10 (1) The vehicle, vessel, or aircraft was purchased by a
11 California resident as defined in Section 516 of the Vehicle
12 Code.

(2) In the case of a vehicle, the vehicle was subject to registration under Chapter 1 (commencing with Section 4000) of Division 3 of the ~~Vehicle Code~~ *Vehicle Code* during the first 12 months of ownership.

(3) In the case of a vessel or aircraft, that vessel or aircraft was subject to property tax in this state during the first 12 months of ownership.

(4) The vehicle, vessel, or aircraft is used or stored in this state more than one-half of the time during the first 12 months of ownership.

(b) This presumption may be controverted by documentary evidence that the vehicle, vessel, or aircraft was purchased for use outside of this state during the first 12 months of ownership. This evidence may include, but is not limited to, evidence of registration of that vehicle, vessel, or aircraft, with the proper authority, outside of this state.

(c) This section does not apply to any vehicle, vessel, or aircraft used in interstate or foreign commerce pursuant to regulations prescribed by the board.

(d) The amendments made to this section by the act adding this subdivision do not apply to any vehicle, vessel, or aircraft that is either purchased, or is the subject of a binding purchase contract that is entered into, on or before the operative date of this subdivision.

(e) (1) Notwithstanding subdivision (a), aircraft or vessels brought into this state for the purpose of repair, retrofit, or modification shall not be deemed to be acquired for storage, use, or other consumption in this state.

(2) This subdivision does not apply if, during the period following the time the aircraft or vessel is brought into this state and ending when the repair, retrofit, or modification of the aircraft or vessel is complete, more than 25 hours of airtime in the case of an airplane or 25 hours of sailing time in the case of a vessel are logged on the aircraft or vessel by the registered owner of that aircraft or vessel or by an authorized agent operating the aircraft or vessel on behalf of the registered owner of the aircraft or vessel. The calculation of airtime or sailing time logged on the aircraft or vessel does not include airtime or sailing time following the completion of the repair, retrofit, or modification of the aircraft or vessel that is logged for the sole purpose of

1 returning or delivering the aircraft or vessel to a point outside of
2 this state.

3 (3) This subdivision applies to aircraft or vessels brought into
4 this state for the purpose of repair, retrofit, or modification on or
5 after the operative date of this subdivision.

6 (f) The amendments made by ~~the act~~ *Section 2 of Chapter 226*
7 *of the Statutes of 2004* adding this subdivision shall become
8 operative on October 1, 2004.

9 (g) The Legislative Analyst's office shall conduct a study of
10 the economic impacts of the amendments made to this section by
11 the act adding this subdivision, and shall report its findings to the
12 Legislature on or before June 30, 2006.

13 (h) This section shall remain in effect only until July 1, 2006,
14 and as of that date is repealed.